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PROGRAMME

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DP/PROJECTS/7453

ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
ASIA AND THE PACIFIC REGION

IPF:(1992-96) $151 400 000

(RAS/92/071) - Programme for Asian Cooperation on Energy and the Environment (PACE-E)

Date of approval by the AC:[1]	17 February 1993	
Expected duration:	Four years	
Proposed executing agency:	Participating Government in association with ESCAP and APDC	
Government implementing agency:	Ministries of Energy and Environment, Regional and National Insitutions	
Proposed UNDP contribution:	$4 000 000	Source of funds: IPF
Third-party cost sharing:	$2 261 900	Source of funds: Australia
	$ 727 300	Source of funds: France
Total UNDP budget:	$6 989 200	

Project background

The issue of energy production and use is of particular significance to the Asia and Pacific region with over 3 billion people and home to numerous dynamic economies which, based on current trends, will continue to be major consumers of energy in the future. The region has undergone enormous changes over the past decade in terms of growth and consumption patterns including a sharply increased use of various sources of energy particularly from fossil fuel sources. While this increased use of energy improved the standard of living for many people of the region, it has at the same time left its mark on the environment. Deforestation, water and particularly air pollution are just a few of the more obvious manifestations of this development trend. In fact, it now seems that economic progress may seriously be compromised or hampered by the negative impacts of current energy production and consumption patterns.

The problems of rapid consumption, growth and volatile petroleum supply has increased awareness of the environmental consequences of energy production and consumption. It has become increasingly clear that energy policy management and technology cannot be considered in isolation from the broader concerns of sustainable development, particularly with respect to those concerns relating to environmental quality. Little has been done to involve the private sector in energy-environment programmes even though it has taken on an expanded role in the production of energy. There is much concern that the pendulum may swing too far and that general economic and human development may be sacrificed by concessions to environmental concerns. Thus, an important challenge for each country is to manage the trade-off between adequate and affordable energy supplies and environmental quality. This

[1] This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

trade-off must be managed with consideration for future as well as current generations. Hence, sustainable development is a crucial concept in effectively addressing the energy-environment interface.

Description of project

The development objective of PACE-E is to be a catalyst for the countries of Asia to identify and solve on a cooperative basis energy-environmental problems. The means of accomplishing this are background information needed for policy-making, intra-institutional linkages and management skills necessary for implementing policy, and technology that makes implementation possible.

Programme elements and objectives will include: (a) Energy and Environment Planning: establishment of energy-environment databases, energy impact assessment methodologies, and institution-building to enhance environmental perspectives in energy planning and policy making; (b) Coal Development and Utilization: training technicians, managers and executives in the most advanced techniques of producing and utilizing coal, while minimizing adverse impacts on the environment; (c) Natural Gas and Petroleum Development: enhancing understanding of the range of environmental impacts associated with petroleum and gas production in the region, developing mechanisms thorough which these concerns can be integrated into the planning, management and technical design of resource development and utilization strategies, assessing information, and providing training needed to assess, prevent and remedy the environmental damage caused by the exploration, development, production and transportation of petroleum and natural gas; (d) Rural Energy-Environment Development: consolidating existing interests and achieving a significant enhancement of the operational ability of countries in the region to formulate sustainable rural energy system development strategies; (e) Conservation and Efficiency: strengthening and extending the knowledge and experience base regarding conservation and efficiency improvements within the region, and providing an analytical framework within which the environmental performance of this type of policy option can be effectively put in place and readily assessed; (f) Electric Power System Management and Development: strengthening the power sector's ability to handle energy-environment interface issues and exploring options which allow the industry to continue to develop in a manner which is compatible with the goals of sustainable development.

By the end of 1996, PACE-E is expected to strengthen the TCDC network and make significant contributions in developing increased awareness of the trade-offs and complementarities of energy, environment, economic growth and human development.

Inputs

UNDP will support the costs associated with establishment of the office of the Programme Coordinator (programme coordinator, one programme assistant and one secretary); a short-term adviser (environment) for six work-months each year; programme activities of the six Working Groups through advisory services; training; and organisation of workshops and seminars; and miscellaneous costs.

Financial data

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Personnel	2 111 300
Subcontract (Training JCB)	2 286 300
Training	1 289 400
Miscellaneous	1 302 200
Total	6 989 200

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